

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>CONSUMERS ENERGY COMPANY</b>	)	
for a financing order approving the securitization	)	Case No. U-18250
of qualified costs and related approvals.	)	
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At the July 12, 2017 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman  
Hon. Norman J. Saari, Commissioner  
Hon. Rachael A. Eubanks, Commissioner

**ORDER**

On February 10, 2017, Consumers Energy Company (Consumers) filed an application, with supporting testimony and exhibits, seeking a financing order authorizing the issuance of securitization bonds covering approximately \$184.6 million in qualified costs. The application was filed pursuant to 2000 PA 142 (Act 142), which amended 1939 PA 3, MCL 460.1 *et seq.*, and allows certain utilities the option of reducing their costs through the issuance of securitization bonds.<sup>1</sup> The application explained that Consumers intends to buy out, effective May 31, 2018, the remaining term of the Power Purchase Agreement between Entergy Nuclear Palisades, LLC (as

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<sup>1</sup> Securitization is the process by which a utility, following the issuance of a financing order by the Commission, replaces relatively high-cost debt and equity with lower-cost debt in the form of securitization bonds. MCL 460.10h-460.10o.

subsequently assigned by Entergy Nuclear Palisades, LLC, to Entergy Nuclear Power Marketing, LLC) and Consumers, dated July 11, 2006 (Palisades PPA). In its application, Consumers requested that the Commission dispense with the Proposal for Decision (PFD) and read the record in this proceeding in order to expedite the decision-making process.

Pursuant to due notice, a prehearing conference was held on March 9, 2017, before Administrative Law Judge Sharon L. Feldman (ALJ). In the course of the prehearing conference, the ALJ granted intervenor status to the Michigan Department of the Attorney General, the Association of Businesses Advocating Tariff Equity, Michigan Environmental Council, Entergy Nuclear Palisades, LLC, and Entergy Nuclear Power Marketing, LLC (together Entergy), and the Residential Customer Group. The Commission Staff also participated in the proceedings. In the January 20, 2017 order in Case No. U-18218, p. 4, the Commission committed to reading the record, and stated its intention to issue a final determination on this financing application no later than August 31, 2017.<sup>2</sup> Thus, the ALJ established a schedule for this case that dispensed with the PFD and accorded with that date. Currently, initial briefs are due on July 17, 2017,<sup>3</sup> and reply briefs are due on July 28, 2017.

On July 7, 2017, the parties filed a joint Stipulation and Agreement to extend the dates for initial and reply briefing to August 11 and September 1, 2017, respectively, and the date for a final determination to September 28, 2017. The stipulation states that the parties are actively engaged in significant settlement discussions, an extension will facilitate settlement, and that “Entergy has

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<sup>2</sup> The Commission was thereby attempting to accommodate the wishes of Entergy, who had indicated that a decision was needed by September 1, 2017, due to the fact that Palisades requires refueling by October 2018, and significant lead time is necessary.

<sup>3</sup> On July 6, 2017, the ALJ granted a request to extend the date for the filing of initial briefs from July 12 to July 17, to accommodate settlement discussions.

determined that the one-month extension will not materially impair its operational decision-making for the Palisades facility.” Stipulation and Agreement, p. 2. The Commission finds that the ALJ is authorized to extend the date for a final order in this matter in accordance with the joint stipulation filed by the parties on July 7, 2017.

THEREFORE, IT IS ORDERED that Administrative Law Judge Sharon L. Feldman shall extend the schedule in this proceeding in accordance with the stipulation filed on July 7, 2017.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

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Sally A. Talberg, Chairman

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Norman J. Saari, Commissioner

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Rachael A. Eubanks, Commissioner

By its action of July 12, 2017.

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Kavita Kale, Executive Secretary